

Housing Choice Voucher Program

Provides rental subsidies for tenants who choose units in the private market.

Nature of Program:

Targeting and Eligibility. At least 75 percent of the families admitted to a public housing agency's (PHA) Housing Choice Voucher (HCV) program during the PHA's fiscal year must have income at or below 30 percent of the area median income. According to Section 8(o)(4) of the United States Housing Act of 1937, eligibility for vouchers, at the time a family initially received voucher assistance, is limited to:

- Very low-income families;
- Low-income families previously assisted under the public housing, Section 23, or Section 8 project-based housing programs;
- Families that qualify to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act;
- Families that qualify to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

Payment Standards. The subsidy amount is based on a payment standard set by the PHA between 90 percent and 110 percent of the fair market rent (FMR). HUD may approve payment standards lower than 90 percent of FMR and payment standards higher than 110 percent of FMR, and may require PHA payment standard changes because of instances of high rent burdens (see Sections 8(o)(1)(B), (D), and (E)).

Tenant Rent. A family renting a unit at or below the payment standard pays the highest of 30 percent of monthly adjusted income, 10 percent of monthly income, the welfare rent, or the PHA's minimum rent. A family renting a unit above the payment standard pays the highest of 30 percent of monthly adjusted income, 10 percent of monthly income, the welfare rent, or the PHA's minimum rent, plus the amount of rent above the payment standard (see Sections 8(o)(2)(A) and 8(o)(2)(B)). The rent to the owner in the voucher program must always be reasonable in relation to the rent charged for comparable unassisted units.

Maximum Initial Rent Burden. A family must not pay more than 40 percent of adjusted monthly income for rent when the family first receives voucher assistance in a particular unit. (This maximum rent burden requirement is not applicable at reexamination if the family stays in place.) (See Section 8(o)(3)).

The voucher program also has provisions that outline tenant and owner responsibility. In addition to the traditional tenant screening by owners, PHAs are permitted to screen applicants for assistance. In addition, PHAs can disapprove owners who refuse to evict tenants for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the premises of tenants, PHA employees or owner employees, or the residences of neighbors (see Section 8(o)(6)(C)). Finally, "Violent

criminal activity on or near the premises” is also a statutory ground for termination of tenancy (see Section 8(o)(7)(D)).

Project-Based Vouchers. A PHA that runs a tenant-based housing choice voucher program may choose to use up to 20 percent of its voucher assistance to implement a project-based voucher program. For more information, please see the Project-Based Voucher Program section.

Homeownership Vouchers. A PHA may choose to use tenant-based housing choice voucher assistance to help eligible first-time homeowners with their monthly homeownership expenses. For more information, please see the Homeownership Voucher Assistance section.

Enhanced Vouchers. Enhanced Vouchers (EVs) are special vouchers available to tenants who would otherwise be adversely affected by HUD program decisions. EVs are generally issued to provide continued assistance for a family at the termination of project-based rental assistance. If the family stays in the same project, the voucher payment standard covers the full market rent. EVs have several special requirements, but in all other respects are subject to rules of the tenant-based voucher program. Differences include a special statutory minimum rent requirement and a special payment standard, applicable to a family receiving EV assistance that elects to stay in the same unit, which can sometimes result in a PHA approving a unit that would otherwise be unaffordable to a family with regular tenant-based assistance. If the family moves, all normal voucher rules apply.

Low-income residents of units in multifamily projects (5+ units) covered in whole or in part by a contract of project-based assistance are, in certain situations, eligible for EV assistance. These situations include owner opt-outs from specified programs.

HUD-Veterans Affairs Supportive Housing Vouchers. Housing Choice Voucher (HCV) rental assistance is combined with case management and clinical services provided by the Department of Veterans Affairs (VA) for very low-income homeless Veterans. HUD-VASH vouchers are awarded based on geographic need and public housing agency (PHA) administrative performance. The allocation process for HUD-VASH vouchers is a collaborative approach that relies on three sets of data: HUD’s point-in-time data submitted by Continuums of Care (CoCs), VAMC data on the number of contacts with homeless Veterans, and performance data from PHAs and VAMCs.

Tenant Protection Vouchers. Tenant Protection Vouchers (TPVs) are provided in connection with Housing Conversion Actions and provide families with either an EV or regular HCV. The specific triggering event determines which type of TPVs HUD must offer. EVs are provided only in response to an eligibility event. In cases where a regular voucher is provided, the rent subsidy paid on behalf of the family to the Owner is capped at the payment standard established by the administering PHA for each bedroom size, based on the Fair Market Rent published annually by HUD. The gross rent for regular vouchers must also be reasonable, as determined by the PHA, in comparison with other comparable unassisted units. A tenant may utilize a regular TPV to stay in the unit, or to

move elsewhere but the tenant does not have the right to remain in the unit, and the owner is not required to enter into a voucher tenancy with the tenant.

Vouchers for Persons with Disabilities. Enables the use of development vouchers for non-elderly families with a person with disabilities not currently receiving housing assistance to obtain affordable housing. These non-elderly families with a disabled person do not need to be listed on the PHA's housing choice voucher waiting list to be offered and to receive housing choice voucher rental assistance. It is sufficient that these families' names are on the waiting list for a covered development at the time their names are provided to the PHA by the owner.

Family Unification Program. The Family Unification Program (FUP) provides HCVs to two different populations: families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care, or the delay in the discharge of the child or children to the family from out-of-home care; and youth at least 18 years old and not more than 21 years old who left foster care at age 16 or older and who lack adequate housing. FUP funding is allocated through a competitive process; therefore, not all Public Housing Agencies (PHAs) administer the program.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f); Section 8(o) for vouchers (tenant-based and project-based) and Section 8(t) for enhanced vouchers. Regulations are at 24 CFR part 5 (certain cross-cutting requirements); 24 CFR part 982 (Tenant-based Housing Choice Voucher Program); 24 CFR part 983 (Project-Based Voucher Program); 24 CFR part 984 (Section 8 Family Self-Sufficiency Program); and 24 CFR part 985 (Section 8 Management Assessment Program (SEMAP)).

Administering Office: Assistant Secretary for Public and Indian Housing, U.S. Department of Housing and Urban Development, Washington, DC 20410.

Information Sources: Local public housing agencies or HUD field offices.
On the Web: www.hud.gov/offices/pih/programs/hcv/about/fact_sheet.cfm

Current Status: Active.